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Tax Breaks Top of Local Mid-Sized Corporates Budget Wish List: UOB Survey

Singapore, 10 February 2012 – Tax breaks are at the top of the 2012 Budget wish list for mid-sized corporates in Singapore this year, according to United Overseas Bank Limited (UOB) Mid-Sized Corporates Business Sentiment Survey.

UOB surveyed more than 1,600 of its mid-sized corporate customers in late December 2011 and found the top three items they were looking for from this year's Budget were preferential tax rates (73 per cent), government assistance loans (62 per cent) and reductions in foreign worker levies (61 per cent).

Mr. Eric Tham, Managing Director, Group Commercial Banking, UOB Group said, "Preferential tax rates are at the top of the Budget wish list because cost control is a priority for mid-sized corporates in the current economic climate. Preferential tax rates would provide additional liquidity to help businesses weather the financial headwinds from Europe and the United States, as well as continue with their expansion plans into Asia.

"Government assistance loans were next on the list of Budget requests. The UOB Commercial Banking unit will continue to support mid-sized corporate customers with the extension of these loans," said Mr. Tham.

UOB is the top lender in terms of approved loan amounts under the government assistance schemes since their enhancement in 2008. These include the Local Enterprise Finance Scheme Equipment Loan and Micro Loan, as well as the Loan Insurance Scheme.

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Local Mid-Sized Corporates Budget Wish List ¹	Percentage of Respondents (base = 1610)
Preferential tax rates	73%
Government assistance loans	62%
Reduce foreign worker levies	61%
Relax the quota for foreign workers	44 %
Workforce skills upgrading incentives	38%

UOB surveyed more than 1600 of its mid-sized corporate customers located in Singapore in late December 2011, to seek their views on business and economic conditions, business performance and key business priorities in Singapore and across Asia for 2012.

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About United Overseas Bank

United Overseas Bank Limited (UOB) is a leading bank in Asia. It provides a wide range of financial services through its global network of more than 500 offices in 19 countries and territories in Asia Pacific, Western Europe and North America, including banking subsidiaries in Singapore, Malaysia, Indonesia, Thailand and China. UOB plays an active role in the community, focusing on children, education and the arts. Its staff volunteerism programme was initiated in 2007. Through the UOB Heartbeat Run/Walk, UOB has raised funds for its named beneficiaries. UOB has also organised the prestigious Painting Of The Year Competition and Exhibition since 1982. In recognition of its contributions to the arts, UOB has been conferred the National Arts Council's Distinguished Patron of the Arts Award for the seventh consecutive year.

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¹ Source: UOB Mid-Sized Corporates Business Sentiment Survey, December 2011